



BILLING CODE 3510-DS-P

**DEPARTMENT OF COMMERCE
Foreign-Trade Zones Board
[B-12-2019]**

Foreign-Trade Zone (FTZ) 123 – Denver, Colorado; Notification of Proposed Production Activity; Lexmark International, Inc. (Organic Photoconductor Drums); Longmont, Colorado

Lexmark International, Inc. (Lexmark) submitted a notification of proposed production activity to the FTZ Board for its facility in Longmont, Colorado. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on February 27, 2019.

A separate application has been submitted for subzone designation for the Lexmark facility under FTZ 123. The facility will be used for production of organic photoconductor drums. Pursuant to 15 CFR 400.14(b), FTZ activity would be limited to the specific foreign-status material/component and specific finished products described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt Lexmark from customs duty payments on the foreign-status material/component used in export production. On its domestic sales, for the foreign-status material/component noted below, Lexmark would be able to choose the duty rates during customs entry procedures that apply to organic photoconductor drums and recycled aluminum cores (duty-free to 5.7%). Lexmark would be able to avoid duty on foreign-status material which becomes scrap/waste. Customs duties also could possibly be deferred or reduced on foreign-status production equipment.

The material/component sourced from abroad would be aluminum cores (duty rate 5.7%). The request indicates that aluminum cores are subject to an antidumping/countervailing duty (AD/CVD) order if imported from China. The FTZ Board's regulations (15 CFR 400.14(e)) require that merchandise subject to AD/CVD orders, or items which would be otherwise subject to suspension of liquidation under AD/CVD procedures if they entered U.S. customs territory, be admitted to the zone in privileged foreign status (19 CFR 146.41). The request also indicates that aluminum cores are subject to special duties under Section 232 of the Trade Expansion Act of 1962 (Section 232), depending on the country of origin. The applicable Section 232 decision requires subject merchandise to be admitted to FTZs in privileged foreign status.

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary at the address below. The closing period for their receipt is **[INSERT DATE 40 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

A copy of the notification will be available for public inspection at the Office of the Executive Secretary, Foreign-Trade Zones Board, Room 21013, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230-0002, and in the "Reading Room" section of the Board's website, which is accessible via www.trade.gov/ftz.

For further information, contact Juanita Chen at juanita.chen@trade.gov or 202-482-1378.

Dated: March 4, 2019.

Andrew McGilvray,
Executive Secretary.

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